

**Before the  
FEDERAL COMMUNICATIONS COMMISSION  
Washington, D.C. 20554**

In the Matter of	)	
	)	
Sprint Corp. Petition for	)	CC Docket No. 01-92
Declaratory Ruling Regarding the	)	DA 02-1740
Routing and Rating of Traffic	)	
By ILECs	)	

**Reply Comments of Beacon Telecommunications Advisors, LLC**

Beacon Telecommunications Advisors, LLC (Beacon) submits these reply comments in response to the Commission's Public Notice in the above-captioned proceeding requesting comment on Sprint's petition.

Beacon is a regulatory, financial, and management consulting firm providing services to independent and tribally owned rural incumbent local exchange carriers (ILECs) throughout the United States. Beacon's clients are small and rural ILECs that are directly impacted by decisions related to the routing and rating of traffic as proposed by Sprint.

**Summary of Opinion**

Beacon recommends that the Commission deny Sprint's petition and suggests the issues at stake in this notice<sup>1</sup> be addressed concurrently with the intercarrier compensation proceeding. Beacon feels the issues and concerns filed in Sprint's petition and opposed by Bell South are related to other important and significant matters that need to be dealt with on a comprehensive, and not individual, basis.

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<sup>1</sup> Public Notice released July 18, 2002, in CC Docket No. 01-92, DA 02-1740

## **Compensation and Bypass Issues**

Beacon notes that one of the associated underlying concerns for small and rural LECs related to Sprint's petition for a declaratory ruling is that they will not be compensated appropriately for CMRS calls terminating onto their networks. This issue is and has been an ongoing theme with wireless carriers. The initial comments in this public notice (regarding unidentifiable terminating minutes from CMRS carriers) by the National Telecommunications Cooperative Association (NTCA) outlines this point very well.<sup>2</sup> In this public notice, Sprint is proposing to rate a call (for example at a Sprint switch) separately from where the call is assigned or routed (at an ILEC switch). By allowing Sprint to do this would not only bypass the rightful application and charging of retail tariff rates by small and rural carriers, but also would practically make calls made on the public switched toll network virtually unrecognizable since these types of calls would appear to be local calls. In this regard, small and rural carriers would incur costs to transport and terminate these calls, yet would not be compensated for them. This has a "snowballing effect" for these small carriers by disallowing them to collect rightfully-owed access charges which translates to lower realized revenues which ultimately allows networks and customer service to suffer. Therefore, allowing Sprint to continue with this effort is not in the public interest.

## **Precedence in Other State Proceedings**

In Sprint's reply comments supporting its declaratory ruling, "Sprint asks only that the Commission confirm what industry guidelines already authorize and the practice that all incumbent LECs had universally followed..."<sup>3</sup> Using industry guidelines, Beacon believes an argument can be made to utilize past Orders from state authorities who have addressed the virtual NPA NXX issue previously. For example, the Public Service Commission of South Carolina sided with BellSouth in Docket No. 2000-516-C – Order

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<sup>2</sup> NTCA Initial Comments in CC Docket No. 01-92, DA 02-1740, pgs. 4&5

<sup>3</sup> Ibid

No. 2001-045 dated January 16, 2001. In that Order, the South Carolina Commission concluded that “virtual NXX” calls do not terminate within the same local calling area in which the call originated.<sup>4</sup> In addition, they noted, “Typical traffic associated with a “virtual NNX” number does not originate and terminate within the same local calling area. Therefore, traffic associated with a “virtual NNX” number does not meet the definition of local telecommunications traffic....”<sup>5</sup> Given this precedence as it relates to “industry guidelines” and “industry practice”, BellSouth was awarded a favorable outcome in the South Carolina Order, thereby dismissing Sprint’s arguments and support in their current petition.

## **Conclusion**

In conclusion, Beacon notes that the Sprint petition raises significant questions and concerns regarding the appropriate decisions that need to take place while thoroughly and completely addressing all issues surrounding the intercarrier compensation proceeding. Until the Commission acts and rules on the very involved and complicated issues in that proceeding, any ruling related to Sprint’s petition would be premature.

Respectfully submitted,

**Beacon Telecommunications Advisors, LLC**

[Filed Electronically]

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August 14, 2002

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<sup>4</sup> Docket No. 2000-516-C-Order No. 2001-045, pg. 7

<sup>5</sup> Ibid, pg. 8